(e) There is no proposal at present to increase the rate of interest of various small savings schemes.

Steps to Develop Mumbai as International Financial Centre

4379. DR. P.C. ALEXANDER: Will the Minister of FINANCE be pleased to state:

(a) the special steps proposed to be taken by the Central Government in the next five years to make Mumbai an International Financial Centre as announced by him in his speech presenting the Budget for 2007-08;

(b) whether his statement at Mumbai on 23rd April, 2007 that "Mumbai needs authonomy to govern itself to become an International Financial Centre" means that no financial assistance is being contemplated till Mumbai gets greater autonomy; and

(c) if not, what exactly is meant by his reference to "autonomy to govern itself" as a condition for assisting Mumbai to develop as an International Financial Centre?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) As annouced in the Budget Speech for 2007-08, the report of the High Powered Expert Committee (HPEC) constituted by Government, on developing Mumbai as an International Financial Centre (IFC) is now in the public domain, both as a priced publication in the market and on the website of the Ministry of Finance (www.finmin.nic.in). Feedback has been invited on the report. Taking into view the feedback and comments received, Government would work towards building a consensus on the key recommendations of the Committee to promote a world class financial centre in Mumbai and to realize the objective of making 'financial services' the next growth engine for India.

(b) No, Sir,

(c) The reference to autonomy for Mumbai to govern itself in the Finance Minister's address at the Ministry of Finance-CII National Conference on 23rd April, 2007, was made in the context of the kind of governance structure Mumbai requires in order to effectively provide local public goods such as good housing schools, water supply, roads

etc. The HPEC report observes that the Central policy focus needs to be on empowerment of the city government to take economic and service delivery dicisions as envisaged originally in the 74th Amendment to the Constitution.

The HPEC report observes that the aim must be to create a city government with the necessary autonomy, accountability and power to provide local public goods in a reasonably unfettered fashion

Non-issue of pass books by Banks

†4380. SHRI MANGANI LAL MANDAL Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that inspite of clear directions and guidelines by the Reserve Bank of India, pass books are not being issued to their account holders by private and multinational banks;

(b) whether it is also a fact that an account can be operated by depositing a minimum amount of Rs. 500/- in the public sector banks whereas private and multinational banks compel the account holders to maintain a certain amount in the account; and

(c) if so, the number and names of private and multinational banks alongwith the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) On receiving some representations from saving bank account holders including senior citizens' associations regarding non-issuance of Pass Books by many banks, Reserve Bank of India (RBI), *vide* its guidelines dated October 4, 2006, has advised all scheduled commercial banks (excluding Regional Rural Banks) to invariably offer pass book facility to all its savings bank account holders (individuals). In case the bank offers the facility of sending statement of account, and the customer chooses to get this statement, the bank must issue a monthly statement of account. The banks have also been advised that the cost of providing such pass book or statements should not be charged to the customer.

†Original notice of the question was received in Hindi.